ECE Highlights

UNITED NATIONS ECONOMIC COMMISSION FOR EUROPE No. 10 June 1991

RESPONSE TO THE NEW SITUATION IN EUROPE DOMINATES AGENDA OF THE COMMISSION'S FORTY-SIXTH SESSION

Mr. Jan Martenson, Director-General of the United Nations Office at Geneva, third from left, represented the UN Secretary-General at the Commission's opening session. With him on the podium are, from left to right, Ms. Cynthia Day Wallace, Senior Adviser to the Executive Secretary; Mr. Igor Ornatski, Deputy Executive Secretary; Mr. Gerald Hinteregger, Executive Secretary of the ECE; Ambassador Olli Mennander, Chairman; Mr. Brian Duke, Secretary of the Commission; and Ambassador Andrei A. Ozadovski, Vice-Chairman.

The forty-sixth session of the United Nations Economic Commission for Europe, held from 9-17 April 1991, took place in a remarkably improved climate of co-operation between the ECE member States. Delegations underscored that the speed of the significant political and economic changes in the region made it necessary for the ECE to redefine its priorities and to enhance the usefulness of its work in response to the needs and interests of member countries.

One of the most conspicuous features of this year's session was the shift from the traditional rigid two-caucus system which reflected the confrontational East-West relationship of the past to a pragmatic approach to negotiating future activities of the ECE in a new spirit reflecting common priorities and concerns.

Focus on changing conditions in the region

In plenary all delegations underscored the importance of the profound and historic changes which had taken place in the ECE region since the Commission's 45th session. The countries of eastern and central Europe had continued on the road towards parliamentary democracy and a market economy. These events had furthered the process of all-European co-operation and posed continuing challenges to the ECE and its member countries. In the view of many delegations 1990 had been a milestone marked by the unification of Germany which had signalled the end of the cold war and the partition of Europe. Equally significant for many delegations was the CSCE Summit Meeting in Paris at which the participants adopted the "Paris Charter for a New Europe" which laid the foundations for an essentially new all-European system of security and co-operation.

It was generally recognized that the widespread euphoria that had followed the events of 1989 had now given way to a more realistic assessment of the realities and of the difficulties faced by the countries of central and eastern Europe, in order to secure an effective and lasting transition to an open market economy. Many delegations pointed out that the past year had highlighted the magnitude of the grave economic problems confronting the countries in transition which had been accentuated by external shocks such as the Gulf crisis, the sharp decrease in the CMEA trade, the effects of German unification, and recession in market economies. Despite these problems the transformation process towards the establishment of market economies had advanced.

Many delegations considered that the process towards the new Europe would take more time to complete than had been expected. Some mentioned that the developments in the former German Democratic Republic provided an insight into the dimensions of the problems confronting reforming countries.

Many delegations stressed that international financial and technical assistance for the economies in transition in central and eastern Europe and the USSR was needed more than ever in order to ensure the success of the reforms.

The Committee's future activities

The session took into account the results of the Commission's review of its priorities, structures and methods of work carried out at its resumed 45th session in December 1990. Delegations discussed the future implementation of decisions adopted at that session, the orientation of activities in the five priority areas of activity, namely environment, transport, statistics, trade facilitation and economic analysis along with activities designed to assist countries in

transition to a market economy and issues relating to sustainable development. There was agreement that the Commission's work to support the ECE countries in transition should be carried out primarily by means of workshops and other informal meetings. Delegations emphasized that the decisions adopted at the resumed 45th session should be implemented expeditiously. In view of the changes taking place within the region, many delegations stressed that the Commission should collaborate and co-ordinate its activities more closely with other international organizations. Many delegations mentioned the role of the ECE in implementing the relevant provisions of the CSCE Documents, in particular the Bonn Concluding Document and the Charter of Paris for a New Europe.

Adoption of decisions at concluding meeting

At its closing session, the Commission adopted six decisions on various aspects of its work focusing primarily on priority areas, namely the work of the Commission as a whole; co-operation in the field of economic analysis and assistance to countries in transition; co-operation in the fields of transport and environment and sustainable development; the European Red List of globally threatened animals and plants; and international co-operation to address and mitigate the consequences of the accident at the Chernobyl nuclear power plant. This last decision coincided with the fifth anniversary of the Chernobyl accident.

Ambassador Andrei Ozadovski (Ukrainian SSR) was elected Chairman and Ambassador William Rossier (Switzerland) Vice-Chairman of the 47th session, which is scheduled to take place from 7 to 15 April 1992.

Liechtenstein becomes a new ECE member State

The Principality of Liechtenstein participated in the Commission's forty-sixth session for the first time as a full member of the United Nations pursuant to General Assembly Resolution 45/1. With the admission to UN membership in September 1990, Liechtenstein became a member of the UN/ECE. However, as a result of the unification of Germany in October 1990 the Commission's membership remains at 34.

ECE NEWS BRIEFS

ECE and ECLAC initiate high-level meeting on economic policy and closer co-operation

Upon the initiative of the United Nations Economic Commissions for Europe (UN/ECE) and for Latin America and the Caribbean (ECLAC), Ministers and other high-level representatives from central and eastern European countries and from Latin America met in Vienna, Austria, in March 1991 to discuss economic policy questions related to problems in the transition to market economies.

The experience of Latin American countries in developing market economies is of great interest to the countries of central and eastern Europe, in particular regarding issues such as stabilization policy, the role of foreign direct investment, micro-economic management and the restructuring and privatization of public enterprises. The Latin American authorities for their part are looking at the reforms in the transition countries as providing opportunities above all in the field of trade. The dialogue served to identify and promote activities in the interest of closer interregional co-operation between ECLAC and ECE.

Gerald Hinteregger (left) is welcomed by Mr. Kaj Bärlund, Minister of the Environment for Finland, at the ESPOO Ministerial Meeting.

New Convention on Environmental Impact Assessment adopted

A landmark international Convention on Environmental Impact Assessment was adopted by the Senior Advisers to ECE Governments on Environmental and Water Problems who met in Espoo, Finland, on 26 February 1990, at the ministerial level. Twenty-six countries and the European Community signed the new Convention which will oblige parties to take effective measures to prevent, reduce and control significant adverse transboundary environmental impacts of new industrial and other planned economic activities on their territories. The Convention is innovative in several respects. It stipulates the rights and duties of States jointly to assess transboundary environmental impacts and to apply the assessment at the early planning stage to large projects. It further calls for international consultation and public participation for major industrial projects. The Convention will enter into force 90 days after the deposit of the sixteenth instrument of ratification.

European Agreement on Important International Combined Transport Lines and Related Installations (AGTC)

The European Agreement on Important International Combined Transport Lines and Related Installations (AGTC), prepared by UN/ECE, was opened for signature on 1 April 1991. The AGTC provides a legal framework within which international combined transport services, particularly road/rail transport, can become more efficient. Intermodal transport has experienced unprecedented growth in recent years as a result of increasing demands for environmentally sound transport and the limitations of road transport crossing the Alps. Great importance is attached to the development of the AGTC which will assist in the redistribution of transport demand between individual modes. Germany and France were the first two countries to sign the Convention.

3,000 Joint Ventures Now Registered in the Soviet Union

By the end of 1990 the number of joint ventures registered in the six ECE economies in transition—Hungary, the Soviet Union, Poland, the Czech and Slovak Federal Republic, Bulgaria and Romania—had climbed to 12,920—an almost fourfold increase in the number recorded at the beginning of the year. In all the economies in transition the rate of increase in new foreign investment projects has been impressive. In the USSR the total number of joint ventures registered had reached 3,000, in Poland 2,180, in the Czech and Slovak Federal Republic 1,600, in Romania and Bulgaria 140. The most noteworthy has been the case of Hungary. At the end of 1990 a total of 5,000 joint ventures and foreign investment projects had been registered in comparison with 1,000 at the beginning of the year.

These figures appear in issue No. 7 of the *East-West Joint Ventures News*, published quarterly by the ECE secretariat.

Road Safety Week favourably assessed

The Europe-wide Road Safety Week, proclaimed by the ECE and staged together with national campaigns organized in member countries last October, found a favourable response from ECE member Governments, in the media and from the population at large. The Campaign's main objective was to promote co-ordinated action for greater awareness by road users of the scale of the problem of road traffic accidents and of measures aimed at reducing them. Information received from several countries and the EEC concerning activities undertaken in support of Road Safety Week confirms the success of the ECE initiatives.

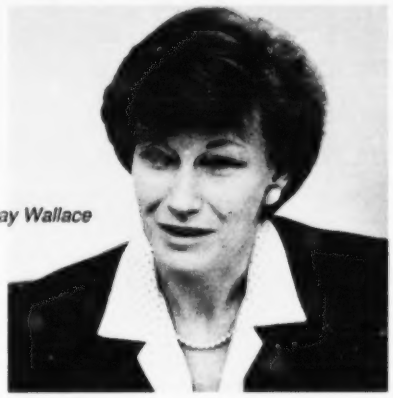
The experience acquired together with the information received will serve as a basis for further activities including the holding of a Road Traffic Seminar in 1992 and the periodic repetition of the Road Safety Campaign.

World-wide crude steel production drops 1.8 per cent in 1990

Considerable reduction in Soviet Union and central and eastern Europe

The first detailed situation report on the steel market in 1990 published by the UN/ECE shows a 1.8 per cent fall in world production of crude steel, from 783.5 million tons in 1989 to 769.4 million tons in 1990. Most of the difference is attributed to reduced production in the USSR and other countries in central and eastern Europe. The reduction results from the acute organizational crisis affecting the steel industry in these countries. Production in Latin America decreased by 4.2 million tons and that of the European Community by 2.9 million tons. The 3 million tons reduction in North American steel production reflects the drop in Canadian production despite a slight increase in the United States of 0.3 million tons. In contrast, production in the Far East registered an overall increase. The USSR remained the first world producer of crude steel, followed by Japan, the United States, China and Germany.

Cynthia Day Wallace appointed Senior Adviser to the Executive Secretary of ECE



Cynthia Day Wallace

Cynthia Day Wallace, a national of the United States of America, has been appointed Senior Adviser to the Executive Secretary with effect from 13 March 1991.

Prior to joining ECE she was Senior Fellow and Project Director in the International Business and Economics Programme at the Center for Strategic and International Studies (CSIS), a prominent Washington think-tank. Ms. Wallace has previously served as Deputy Executive Director with the International Law Institute of Georgetown University Law Centre and has also served with the Max Planck Institutes of Private and Public International Law, and the United Nations. Born in Bristol, Connecticut, Ms. Wallace holds a Ph.D. in international law from Cambridge University and a B.A. in modern languages from Mount Holyoke College. Throughout her career she has lived in a number of European capitals, where she has been engaged in interdisciplinary teaching and research, notably in the fields of international law and economic policy. Her publications include numerous articles and books on public international law, multinational enterprises and foreign direct investment.

OFF THE PRESS

Highlights of the Economic Survey of Europe in 1990-1991

According to the recently published UN/ECE *Economic Survey of Europe in 1990-1991*, the transformation of centrally planned into decentralized market economies has become more clearly a task of enormous complexity that cannot be accomplished in a short period of time even by a quick transfusion of western technology and resources. The 1990-1991 *Survey* points out that several approaches to converting centrally planned to market economies have emerged against a background of deepening recession in eastern Europe. It forecasts a large increase in unemployment throughout the region in 1991.

This year's *Survey* offers an overview of recent developments and policy issues in the ECE region, with special emphasis on economies in transition. It reviews macroeconomic developments and outlook, first in western Europe and North America and then in eastern Europe and the Soviet Union. International economic relations are discussed with special attention paid to intra-CMEA trade and east-west trade and finance. The survey concludes with an overview of the unemployment problems in the market economies.

READEX FICHE

Economic Survey of Europe in 1990-1991, Sales No. 91.II.E.1. Price: $US 80.00.

REFORMS IN FOREIGN ECONOMIC RELATIONS IN EASTERN EUROPE AND THE SOVIET UNION

This publication is the result of an international symposium organized by the ECE secretariat in association with two research institutes in Germany. Some forty Eastern, Western and UN experts contributed to the work, joining their efforts in explaining the shortcomings of the past, defining the challenges of the present and designing alternative ways of moving towards an open market system. Three major topics are covered in the book—the institutional framework of the foreign economic relations of the central and eastern European economies in transition, their economic relations with the market economies and their mutual economic relations.

Reforms in Foreign Economic Relations in Eastern Europe and the Soviet Union (proceedings of a symposium conducted in association with the Osteuropa-Institut, Munich and the Südost-Institut, Munich) United Nations 1991. Sales No. E.91.II.E.5. Price $US 60.00.

OTHER SELECTED PUBLICATIONS

ENVIRONMENT AND HUMAN SETTLEMENTS

Assessment of Long-range Transboundary Air Pollution (ECE/EB.AIR/26). Sales No. E.91.II.E.18. Price: $US 25.00.

ECE Compendium of Model Provisions for Building Regulations (ECE/HBP/81). Sales No. E.90.II.E.40. Price: $US 20.00.

INDUSTRY

Annual Review of Engineering Industries and Automation 1989 (ECE/ENG.AUT/44, vols. I and II). Sales No. E.90.II.E.38. Price: $US 50.00.

TRANSPORT

The TIR Transit System, ECE/TRANS/TIR/2. Sales No. E.91.VIII.1. Price: $US 9.00.

TIR Handbook, Sales No. G V.E.89.0.1. Price: $US 45.00.

UPCOMING EVENTS

UN/ECE Symposium and Trans-European motor rally to demonstrate the value of gas as alternative car fuel

The UN/ECE Working Party on Gas has agreed to support an exhibition combined with a car rally through European countries. These events will be organized by the USSR Centre of Auto-sport and Tourism and will precede the UN/ECE Symposium on the Use of Compressed and Liquefied Natural Gas and Liquefied Petroleum Gas as Fuels for Internal Combustion Engines, which will be convened in Kiev (Ukrainian SSR) from 23 to 27 September 1991. At the auto tour, several vehicles fuelled by compressed natural gas (CNG) and liquefied petroleum gas (LPG) will be driven along a route connecting some of the principal cities of western, central and eastern Europe, with the ultimate goal of arriving in Kiev, on the opening day of the Symposium. The objective of the exhibition and auto tour is to demonstrate the technical developments and applications of gaseous fuels for vehicles and the environmental benefits achieved therefrom, as well as the economic and conservation benefits to consumers.

ECE CALENDAR

SELECTED EVENTS

1991

June

3-5	Meeting of Experts on Coal Trade and Coal Statistics (*Rome, Italy*)
4-6	Seminar on the Analysis of Traffic Flows within Transport Corridors in Europe (*Volos, Greece*)
3-7	Symposium on the Use of Agricultural Land for Non-food Purposes (*Graz, Austria*)
10-14	Seminar on Emissions Control Technologies for Stationary Sources of Air Pollution (*Nuremberg, Germany*)
17 (pm)-21	CONFERENCE OF EUROPEAN STATISTICIANS
24-26	Group of Economic Experts on Air Pollution

Workshops to assist countries in transition to a market economy

3-6	Market adaptation of gas enterprises and the role of prices and tariffs (*Prague, Czech and Slovak Federal Republic*) (tentative)
18-19	Methods of improving the effectiveness of the Polish chemical industry, with emphasis on the petrochemical sector (*Plock, Poland*)

July

1-5	Seminar on Statistics of Household Income
1-5	*Ad hoc* Meeting on Environmental Rights and Obligations (*The Hague, Netherlands*)
1-12	Sub-Committee of the ECOSOC Committee of Experts on the Transport of Dangerous Goods
3-5	Meeting of Experts on Pollution and Energy

August

12-14	Working Party on the Standardization of Technical and Safety Requirements in Inland Navigation
28 (pm)-30	Joint ECE/FAO Working Party on Forest Economics and Statistics.

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ECE Highlights provides a round-up of news and information on major ECE events and publications and is available free of charge from the Information Officer.

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